



*United States Attorney  
Southern District of New York*

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**STATEN ISLAND MAN PLEADS GUILTY TO LAUNDERING DRUG  
PROCEEDS BY SENDING THEM TO THE WEST BANK AND JORDAN**

JAMES B. COMEY, the United States Attorney for the Southern District of New York, announced that ALAA ODEH, 30, of Staten Island, New York, pleaded guilty today to all three counts of an Indictment that charged him with operating an illegal money transfer business. The Indictment alleged that the business was used to launder drug proceeds by sending it out of the United States to the West Bank cities of Nablus and Ramallah.

During the plea hearing, ODEH admitted to United States District Judge JOHN S. MARTIN, JR., that between January 2001 and April 2003, he operated an illegal money transfer business - without the license required by New York State - to transfer money from persons in the United States to designated recipients in the Middle East, including in the cities of Ramallah and Nablus in the West Bank territories.

ODEH also admitted that between July 2002 and August

2002, he agreed with co-conspirators in the Chicago area to use his illegal money remittance business to launder money which ODEH knew constituted the proceeds of illegal activity. According to the Indictment, those funds - which totaled more than \$100,000 - represented the proceeds of illegal pseudoephedrine trafficking. Pseudoephedrine is a precursor ingredient that is commonly used to manufacture methamphetamine, a controlled substance also known as "speed" and "crank." The Indictment alleged the Chicago-based drug traffickers sent at least five checks representing proceeds of their illegal drug business through the mail to ODEH in Staten Island. After ODEH received the checks, he was accused of causing the money to be transferred to his contacts in Nablus, Ramallah, and Amman, Jordan, who then disbursed the funds to the traffickers' associates. The Indictment alleged ODEH and the traffickers were thereby able to conceal and disguise the nature, location, source, ownership and control of the proceeds of the illegal drug trafficking.

Counts One and Two of the Indictment, which charged ODEH with conspiracy to commit unlicensed money transferring and commission of unlicensed money transferring, respectively, each subject ODEH to a maximum of five years in prison. ODEH's guilty plea to Count Three, conspiracy to commit money laundering, carries a maximum penalty of 20 years in prison. ODEH also faces forfeiture of the money and property involved in the unlicensed

money transfer business and money laundering offenses.

ODEH's co-defendant TAIL UDA is also named in all three counts of the indictment. He is currently a fugitive.

ODEH is scheduled to be sentenced on Friday, September 26, 2003.

Mr. COMEY praised the investigative efforts of the Drug Enforcement Administration and the New York City Police Department and the assistance of the Federal Bureau of Investigation's Joint Terrorism Task Force. He also stated that the investigation of this matter is continuing.

Assistant United States Attorneys MARC MUKASEY, LAUREN GOLDBERG and BARBARA WARD are in charge of the prosecution.

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